

HOUSE APPROPRIATIONS COMMITTEE QUESTIONS

During the 2016 session, what did the department testify would be the effects of the FY 17 budget on services, staffing, and contracts?

The Department of Justice is continually running into issues with the budget when it comes to emergency situations and the ability to move money within the agency without first receiving approval from the Division of Administration. An example is immediately following a verdict in the Alton Sterling shooting and related events the Department of Justice must make immediate safety enhancements to the office. These enhancements were not budgeted for and required the use of state general fund.

The lack of state general fund remains a budgetary hurdle for the agency. Much of the agency's funds will not be realized until the end of the fiscal year which creates cash shortfalls throughout the year. With only 6.8M state general fund, the agency struggles to meet payroll obligations and pay bills.

Despite the Administration's promise to budget with real money, over 91% of the DOJ budget is projected or anticipated revenues. The Department of Justice is a law office and we cannot project when settlements may occur or what amounts the settlement may return. Much of those revenues will not be recognized until close to the end of the fiscal year.

Compared to FY 16, what reductions, including services, staffing, and contracts, have been made in the department in FY 17?

The department held vacancies, closed the Lake Charles Office, and used layoffs in an effort to operate within the budget.

In the HCR 25 response in July the following items were listed as a list of initiatives that have been and are continuing to be implemented and utilized to create efficiencies and savings:

- Decreased around the clock security
- Increased caseload of Investigators
- Reviewing and re-negotiating contracts for better value
- Reducing outside legal contracts and moving work in-house
- Right-sizing management and reviewing management levels
- Consolidated the fleet and property sections
- Updated aged fleet
- Streamlining supervision
- Reduction in travel by localizing staff
- Utilizing local agencies as a force multiplier to increase investigative mission
- Better coordination with local and state agencies to attack and increase investigative mission

Reviewing the following sections, activities and projects for possible savings:

- Changing legal research contract
- BP data storage
- Eliminating New Orleans office lease and moving to Benson towers
- Reviewing cell phone contracts
- Reviewing TI systems and evaluation case management systems
- Requested the National Association of Attorneys General to perform an audit of the Department, providing benchmarks for best practices across the nation for Attorneys General

What reductions would the department make if there are mid-year reductions to the FY 17 budget?

The difficult position the department finds itself with -0- SGF remaining due to the inability to use the RIG IAT money, and the extremely late payments by ORM, places the department in a precarious position of not having readily available cash. We would like to think that the administration will work with us.

Provide a brief overview of the FY 18 budget request compared to FY 17 by budget unit.

Overview of FY18 Budget to FY17 Budget

DOJ MOF	FY17-18	FY16-17	VARIANCE
SGF	\$19,666,821	\$6,818,770	\$12,848,051
SGR	\$6,958,342	\$6,923,722	\$34,620
IAT	\$31,787,522	\$30,754,269	\$1,033,253
SD	\$25,302,447	\$22,777,222	\$2,525,225
FED	\$8,443,206	\$7,943,108	\$500,098
TOTAL	\$92,158,338	\$75,217,091	\$16,941,247

Positions	513	489	24
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DOJ EXPENDITURES	FY17-18	FY16-17	VARIANCE
Salaries	\$33,287,857	\$24,905,961	\$8,381,896
Other Comp	\$2,433,663	\$2,368,781	\$64,882
Related Benefits	\$16,605,672	\$12,219,700	\$4,385,972
Travel	\$1,158,668	\$1,070,405	\$88,263
Op Serv	\$2,049,064	\$1,693,332	\$355,732
Supplies	\$763,506	\$625,883	\$137,623
Prof Serv	\$8,424,852	\$8,285,339	\$139,513
Other Charges	\$18,163,669	\$18,246,255	(\$82,586)
Acquisitions	\$5,105,481	\$1,796,932	\$3,308,549

IAT	\$4,165,906	\$4,004,503	\$161,403
TOTAL	\$92,158,338	\$75,217,091	\$16,941,247

Current year T.O. and vacancies:

PROGRAMS	FY16-17	FY16-17 VAC. AS OF 9/30/16
Admin	57	1
Civil	79	18
Criminal	120	1
Litigation	172	20
Gaming	51	0
	479	40
Med. Exp. BA-7	10	0
TOTAL	489	40

What increases are requested in FY 18 and why are the increases necessary, including any new or expanded programs or services to additional populations?

\$14.6M to FY18 for new and expanded requests

- Cover shortfall in personnel services due to reductions to budget during the 2015 Regular Session (Admin, Civil and Criminal) - \$7.7M
- Human Resources Expansion of (1) T.O. to assist in meeting the increasing demand for additional responsibilities in Human Resources. - \$65,845
- Case Document Management System to become fully automated throughout agency - \$1.5M
- Increased T.O. in the Civil Division by (9) due to the demand for opinions, representation of boards and commissions and federal oversight in the areas of voting rights and correction activities - \$1.19M
- Public Protection Division expansion of (3) T.O. to assist consumers who have been victims in the state and increase in multistate litigation to bring in more funds for the state with minimum investment - \$1.9M
- Medicaid Expansion of (9) T.O. and 4 cars - \$893,121- This is the remaining funds requested in a previous BA-7 approved on 10/28/16
- Expanding existing Cyber Crime Unit server due to server being antiquated. Will benefit the state by conducting forensics for all law enforcement agencies around the state as well as victims of online child sexual abuse. - \$487,030
- Updates security measures within the Livingston Building which has over 300 employees. - \$445,982
- Increase Investigations Division by (1) T.O. to increase investigative presence in North Louisiana. There's only one investigator for the 26 northerly parishes. - \$120,010

- Gambling Treatment Referral Program increases T.O. by (1) - pretrial diversion program to reduce repeat offending through rehabilitation by treating gambling addiction without incarceration - \$150,000

Are there any reductions in the FY 18 budget requests, including those as a result of annualizing reductions made in FY 17?

None

Has the department added any positions, including classified, unclassified, and other charges positions, in FY 17? If so, how many and what positions? Did the department request additional positions in the FY 18 budget request? If so, how many and what positions.

Added positions in FY17:

- In FY16-17, the DOJ submitted a Medicaid Expansion BA-7 in the amount of \$1,980,656. for (19) positions and (14) vehicles. This BA-7 was amended and approved on 10-28-16 in the amount of \$1,087,535 for (10) positions and (7) vehicles.
- Nine positions and four vehicles at a cost of \$893,121 have been included in the FY17-18 Budget as a new and expanded request.

Provide a summary of changes in salaries from FY 16 to FY 17, including performance adjustments, promotions, or any other changes in salaries. Provide a summary of requested changes in salaries from FY 17 to FY 18, including performance adjustments, promotions, or any other changes in salaries.

Response:

On June 22, 2015 FY16 begin date the Department of Justice employed 529 employees with an annual salary and other compensation cost projection of \$29,244,655.70.

Throughout FY16 the following personnel actions resulted in salary changes as follows:

1. Separations = 127
2. New Hires: 109
3. Demotions: 7
4. Conversion from FT to PT: 1
5. Salary Adjustments (FT):
 - a. 26 Full-time employees received a salary adjustment due to compression, retention or for performing additional duties.
 - b. 45 Full-time employees received a salary adjustment due to a promotion or a reallocation.
 - c. No Full-time employees received a salary adjustment due to a performance adjustment or cost of living increase.

On June 20, 2016 FY17 begin date the Department of Justice employed 515 employees with an annual salary and other compensation cost projection of \$28,059,188.14.

Thus, current FY Salary Savings and other compensation is projected at \$1,185,467.56 given our current number of T.O. vacancies (42).

Therefore, our salaries and other compensation requested for FY18 is \$31.2m due to the following critical needs:

- 4% Performance Adjustments (Our last performance adjustments were granted in October 2014)
- Increased funding is needed to fill our 42 existing T.O. vacancies
- Retention of employees is essential and we are experiencing an increase in turnover due to competition with other State Agencies who compensate their employees at higher salaries within the Classified service.

What budget adjustments have been made since the initial appropriation to your department? How much in each means of finance has been appropriated to each agency since the initial appropriation?

- By BA7 the department has received:
 - Medicaid Fraud (10) positions and (7) cars

Do your spending and staffing levels match the priorities of your department?

No, however, if the Attorney General could have the discretion to adjust staffing and budget as needed, then we believe the answer would be Yes, provided the agency's State General Fund budget be increased to the appropriate level.

Provide the top 5 performance measures that give the outcomes in your department. How do you rank nationally based on these priority measures?

Performance Measures	FY13-14	FY14-15	FY15-16	FY16-17 (1st Qtr.)
Total Collected (Collections)	\$8,779,475	\$10,922,120	\$13,398,756	\$3,671,968
Number of Opinions released	171	157	159	26
Number of internet crimes against children cases generated from proactive online investigations per fiscal year	713	1147	913	200

Total judgements obtained during fiscal year	\$219,595,834	\$247,607,417	\$36,991,102	\$888,647
Percentage of new risk litigation cases handled in-house (Key)	91%	79%	79%	85%

Notes:

- ~Total collected is trending upward each year
- ~The number of opinions released depends on the number of opinions requested
- ~In the last three fiscal years and the first quarter of the current year, the AG's Office has made a total of 341 arrests
- ~The Medicaid Fraud Unit received the award for excellence in 2016. The LADOJ also won this award in 1992 and 2000.
- ~The large reduction in judgements recoveries from FY15 to FY16 is attributed to the reduction in pharmaceutical cases.
- ~The Litigation Division is working more cases in-house now that the outside caseload had decreased tremendously.

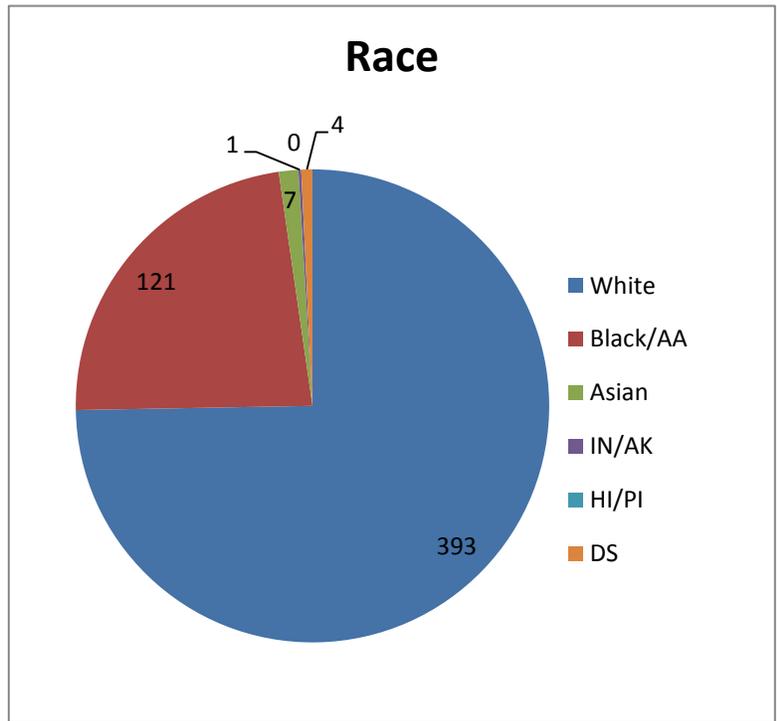
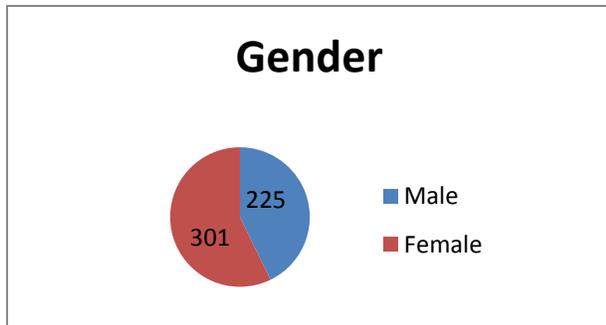
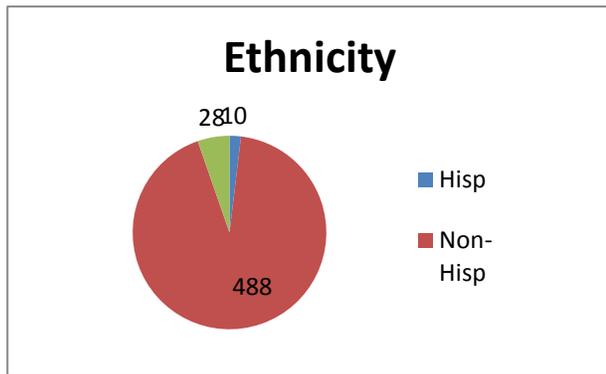
- **Provide a list of all sources of revenue that are not appropriated. These funds could include restricted or off budget accounts. Also, please provide the amount anticipated to be used in FY 17, the amount in FY 18, and any balance or reserve amount for each source or revenue.**

N/A

- **Escrow Findings:** There is a total of \$22.6M in the escrow account. However, only \$8.6M belongs to the DOJ. The remaining funds belong to DEQ.
- **Legal Support Fund:** The DOJ has only \$2,164 in the Legal Support Fund after \$2.2M was swept.
- **Vehicles:** After the approval of the Medicaid BA-7, the DOJ now has 129 vehicles in the fleet.

- Diversity Charts:

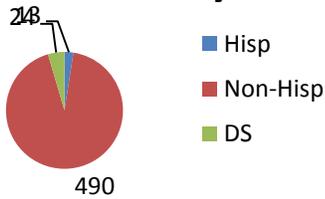
DOJ Employee Demographics as of 03/21/2016										
Gender	Ethnicity			Totals	Race					
	Hisp	Non-Hisp	DS		White	Black/AA	Asian	IN/AK	HI/PI	DS
Male	4	209	12	225	182	40	3	0	0	0
Female	6	279	16	301	211	81	4	1	0	4
Totals	10	488	28	526	393	121	7	1	0	4



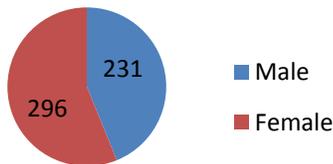
DOJ Employee Demographics as of 11/17/2016

Gender	Ethnicity			Totals	Race					
	Hisp	Non-Hisp	DS		White	Black/AA	Asian	IN/AK	HI/PI	DS
Male	4	217	10	231	185	43	3	0	0	2
Female	9	273	14	296	198	87	5	1	1	2
Totals	13	490	24	527	383	130	8	1	1	4

Ethnicity



Gender



Race

